

# Project Intervene

Presentation to LookUpStrata



Office of the Building Commissioner

25 May 2023



# Survey data confirms why Owners Corporations should get involved with Project Intervene



- Serious defects exist in 39% of apartment buildings in NSW
- As few as 15% of strata buildings have formally reported serious defects to Fair Trading.
- Only 4% of matters that pursue litigation have success in getting defects fixed
- Project Intervene is an alternative to expensive litigation which may take years and have no rectification of defects.

# A different approach

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- Project Intervene is a NSW Government-driven program that aims to help Owners Corporations remediate the serious defects in their buildings.
- As a 'surge' program Project Intervene is offered for a limited time. It uses external contractors to ramp up and ramp down quickly.
- Project Intervene has powers using the Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020 NSW (RAB Act).
- The RAB Act is designed to better regulate the construction of residential apartment buildings through proactive investigation and rectification of serious defects before occupation.
- The powers in the Act are in relation to serious defects, not all defects.

# Important features of Project Intervene

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- The developer (or builder) must still be trading as they cover the costs of the program and the remediation work.
- There is no cost for Owners Corporations who participate in the program provided a developer or builder is still trading.
- The program (and an Undertaking) is opt-in for the Developer and for the Owners Corporation.
- A Developer who does not join Project Intervene may be issued a Building Work Rectification Order. The serious defects must still be remediated.

# Serious defects in common property

## The five building elements

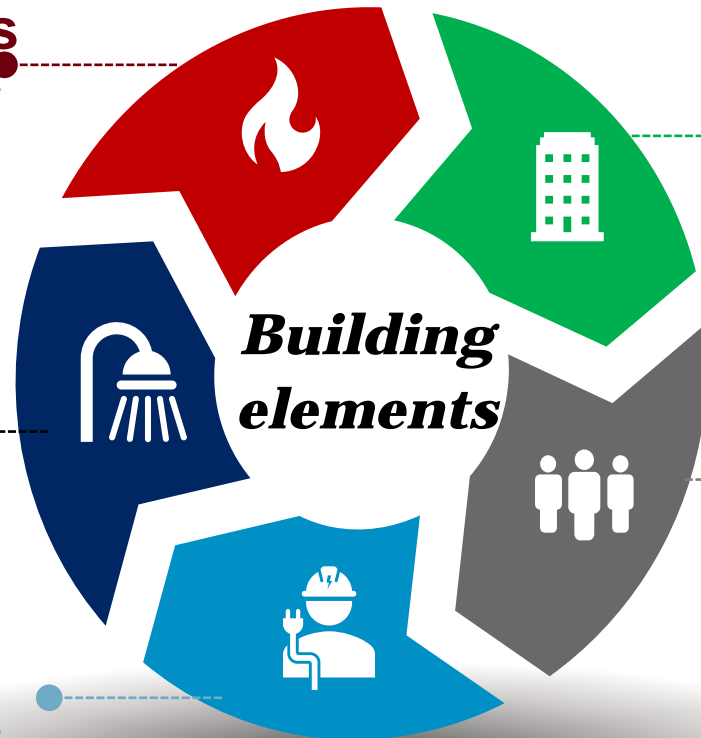
### Fire safety systems

The fire safety systems for a building within the meaning of the Building Code.

### Waterproofing

### Services

Mechanical, plumbing and electrical services



### Enclosure

Separates the interior from the exterior incl roof, walls, windows and doors, cladding).

### Structure

Internal or external load-bearing components of a building that are essential for the stability of the building or part of it.

*A serious defect is:*

*A failure to comply with the performance requirements of the Building Code of Australia*

*May include defective design or faulty workmanship relating to the five elements shown*



# Serious defects – what we're finding

## Waterproofing

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Basement car park water ingress



Mould in common property

# Serious defects – what we're finding

## Structural



Cracking in concrete



Cracking in concrete



# Serious defects – what we're finding

## Fire safety systems



Fire sprinkler obstruction



Unprotected fire penetration or opening

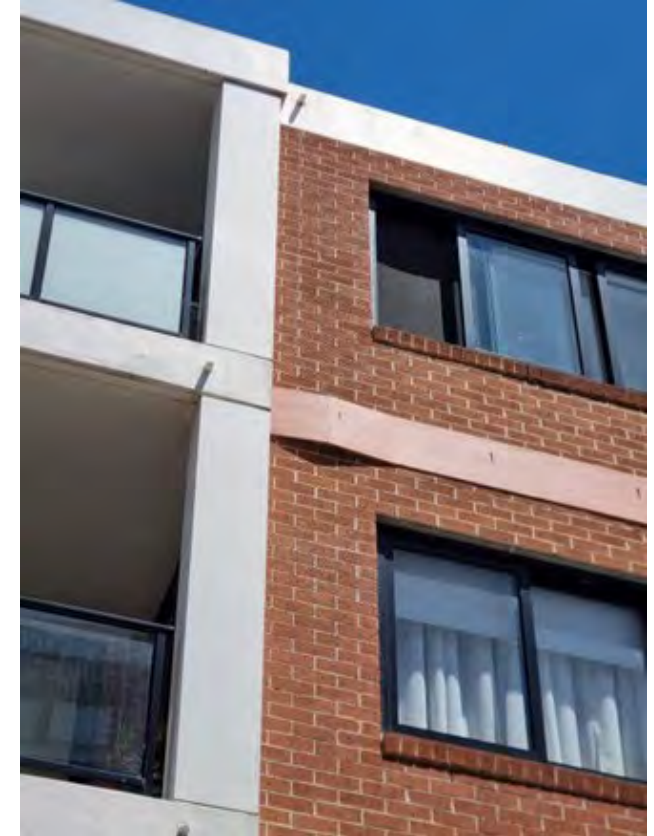


# Serious defects – what we're finding

## Building enclosure



Shattered balustrades



Cracking façade

# Serious defects – what we're finding

## Building essential services

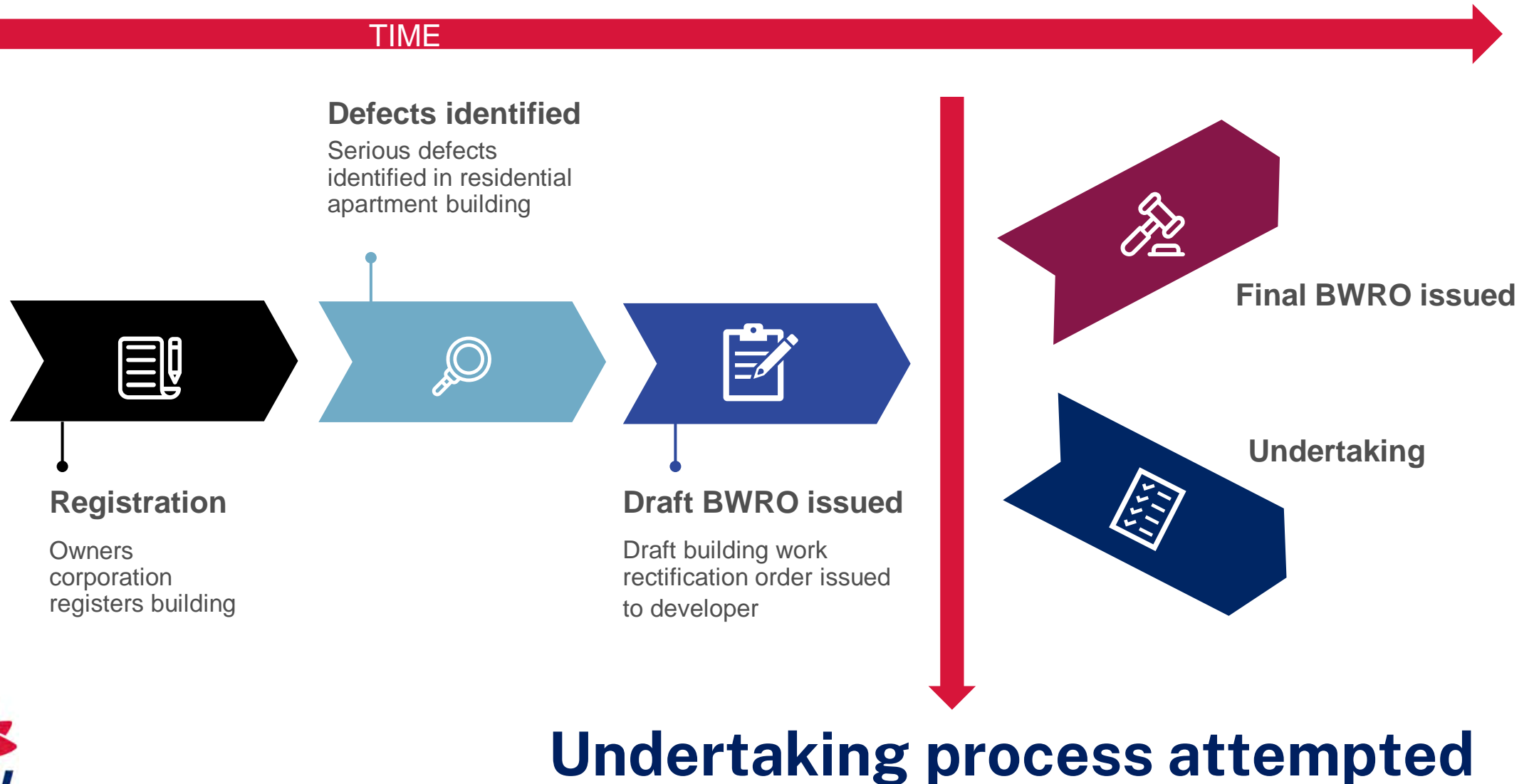


No ventilation



Fire hydrant – multiple issues

# Project Intervene process



# Undertaking process



Developer signs  
Process Deed  
Poll

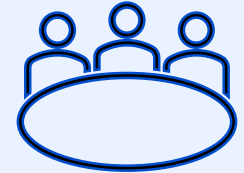


Undertaking  
Manager  
appointed

Finalise list of serious  
defects in  
consultation with OC



Undertaking  
signed by  
developer and  
accepted by  
OBC

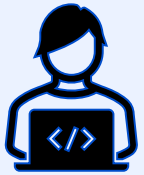


OC pass  
resolution at  
EGM to sign  
Deed Poll

OBC attend OC  
information session  
before EGM



# Remediation process



Designs  
prepared and  
lodged on  
Planning Portal

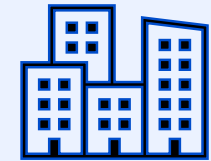
Design &  
Building  
Practitioners  
Act



Builder engaged



Superintendent  
appointed



Work  
commences

# Developer Undertaking

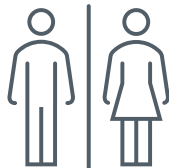
Developer Undertaking is voluntarily entered if Undertaking terms are agreed between the Developer and the Secretary of the Department of Customer Service.

Developer Undertaking sets out the defects to be rectified and how they will be rectified.

Parts may include:



Process for  
rectification of  
defects and sign-off



Roles and  
responsibilities



Dispute resolution  
process



Insurance, costs  
and indemnity  
requirements



Design  
documentation

# Project Intervene – things to expect

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- The timing of each stage will vary depending on the issues and the ease of obtaining information. Providing access to the building will increase the prospects of a positive outcome, more quickly.
- There may be periods when you can't see the activity being undertaken on your behalf - we may be gathering information or negotiating with developers on your behalf.
- Once the Undertaking Manager is appointed, they will be your primary contact for progress and updates.
- Further information can be found at [www.nsw.gov.au/project-intervene](http://www.nsw.gov.au/project-intervene)

# Project Intervene – benefits

- An Undertaking is a better outcome than an Order or litigation. There are:
  1. independent roles appointed to assist negotiate, communicate, and, facilitate between a Developer and an Owners Corporation
  2. an agreed list of serious defects
  3. qualified independent people to ensure the work is delivered in a compliant manner
  4. no cost to the Owners Corporation for the program or remedial work.





# Project Intervene criteria

## How to be considered for Project Intervene

- The matter will be assessed for eligibility to participate in Project Intervene, based on:

- ✓ The **developer** (or builder) is **active**, to ensure rectification responsibilities can be enforced.
- ✓ An occupation certificate was issued within last 6 years (statutory warranty).
- ✓ The building has **serious defects** in the common property
- ✓ Lodged matter with NSW Fair Trading



Lodgement of your complaint closes:  
**30 June 2023.**



A member of the strata committee or the strata manager to lodge the matter with Fair Trading.

An iCIRT rated developer can also apply



Further information is available at  
[www.nsw.gov.au/project-intervene](http://www.nsw.gov.au/project-intervene)

# More information including how to register

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[www.nsw.gov.au/project-intervene](http://www.nsw.gov.au/project-intervene)